



# Low Income Household Water Assistance Program (LIHWAP)

Office of Energy Assistance Programs

July 19, 2021

[mn.gov/commerce](https://mn.gov/commerce)

# LIHWAP: Agenda

- Background
- Proposed Program Design
- Setting Expectations
- FAQ
- Submit a Comment
- Q&A

# LIHWAP: Background

- Federal Government established LIHWAP in response to the COVID-19 pandemic
  - Consolidated Appropriations Act of 2021
  - American Rescue Plan Act
  - Uncertain if Congress will appropriate additional funds or create a permanent water assistance program
- Federal level: U.S. Department of Health & Human Services
- Minnesota: Commerce Office of Energy Assistance Programs
- Minnesota's LIHWAP allocation is \$14,666,970

## Commerce Office of Energy Assistance Programs contracts with 28 local Service Providers (SPs)

- Community Action Agencies
- Counties
- Private Nonprofit Organizations
- Tribal Governments
- <https://mn.gov/commerce/consumers/consumer-assistance/energy-assistance/eap-provider.jsp>

## Local Service Providers

- Accept and process applications
- Work directly with households
- Main point of contact for water suppliers

# LIHWAP: Background

- Enacting legislation requires payments to public water suppliers
- LIHWAP benefits must address one or more of the following needs:
  - Restore household water services
  - Reduce arrearages for household water bills
  - Reduce rates charged for household water services

# LIHWAP: Proposed Program Design

## **Households apply for LIHWAP via the Energy Assistance Program (EAP) application**

- Applications available in September
- Same income guidelines
- Same application processing and payment system
- Utilize existing local service provider network
- <https://mn.gov/commerce/consumers/consumer-assistance/energy-assistance/>

# LIHWAP: Proposed Program Design

- Prioritize LIHWAP benefits in this order
  1. Households currently disconnected from water service
  2. Households with a pending water disconnection
  3. Households with a past due water bill
- LIHWAP pays water balance, including fees, up to maximum benefit of \$1200
- Expect to begin making payments on October 1



# LIHWAP: Setting Expectations

- Funds are limited and needs are great
- We expect to run out of LIHWAP funds quickly
  - If average benefit is \$600, we would serve approximately 20,778 households
  - If average benefit is \$1000, we would serve approximately 12,467 households
- Coordinating with Minnesota Housing's emergency rental and mortgage assistance programs to ensure renters and homeowners get help

**Q:** Can LIHWAP pay water deposits or reconnection fees?

**A:** Yes

**Q:** Can LIHWAP help pay expenses for private wells and septic systems?

**A:** No. LIHWAP funds can make payments to public water suppliers for eligible households' water and wastewater bills.

**Q:** Does LIHWAP have to pay the water supplier? Or can payments go directly to households?

**A:** LIHWAP must pay the water supplier. LIHWAP cannot make payments directly to households.

**Q:** Can LIHWAP pay for plumbing, piping, water heaters, or other infrastructure?

**A:** No. LIHWAP funds are limited to water and wastewater bills.

# LIHWAP: Submit a Comment

**Online:** [mn.gov/commerce/industries/energy/service-providers/eap/](https://mn.gov/commerce/industries/energy/service-providers/eap/)

**Email:** [eap.mail@state.mn.us](mailto:eap.mail@state.mn.us)

**U.S. Mail:** Michael Schmitz, Director  
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**Deadline:** Friday, July 23, 2021 at 4:30pm

**Important:** Comments are publicly available, except in limited circumstances, consistent with the Minnesota Government Data Practices Act.

## Q&A